

**Brief Summary of RTO West RRG Meeting
February 5, 2004**

Introduction

This summary is intended to briefly describe the major topics of discussion during the February 5, 2004 meeting of the RTO West Regional Representatives Group (RRG). It is not intended to be a verbatim transcript of anyone's remarks, and it is not intended to suggest that any particular representative or entity at the RRG meeting agreed with or endorsed the views described in this summary.

Overview of February 5 Meeting

- An RTO West RRG meeting was held at the Sheraton Portland Airport Hotel on Wednesday, February 5, from 8:30 a.m. to 12:40 p.m. PST.
- Approximately 60 people attended the RRG meeting either in person or by phone, including approximately 25 designated RRG representatives. Two state representatives attended the meeting in person. Because of travel limitations associated with a half-day meeting, seven RRG members, including three state representatives listened by phone.
- At the previous RRG meeting, revisions to the posted educational "briefing" about the regional proposal and the posted "message" document were suggested by an RRG representative on behalf of a number of constituents. Following up on the suggestion that the documents should reflect the RRG consensus on the regional proposal, these two documents were revised by a subgroup of the Platform Group working with a representative of the RRG. Both the revised briefing paper and message paper were reposted on February 3.
- As a background for the RRG discussion about the ideas of the Process Group, the RRG heard some foundational context about the development work of the Platform Group and the fundamental elements of the platform approach.
- The RRG provided feedback on the overall process proposal and the specific proposal for creating an early "core" board. While the level of support varied, most everyone supported adding more detail to the proposed process tasks. The Process Group agreed to add more detail to proposed work streams, including adding more about the steps and timing to seat an independent board. The Process Group will bring these details back to the RRG with the goal of gaining support from the RRG.
- The RRG also heard advice from state representatives to postpone informational briefings with FERC until briefings with state commissioners had been completed.
- The RRG decided to meet again on Thursday, February 12, 2004. The meeting will be from 10:00 a.m. to 4:00 p.m. PST at the Sheraton Portland Airport Hotel.

RRG Response and Discussion of Proposal from Process Group

Jim Baggs, who participated on the Platform Group and the Process Group, gave the RRG some foundational context about the platform proposal before the RRG discussion of the Process Group's ideas. The outcome from the work of the Platform Group was a "narrative" describing a regional proposal that provides a constructive approach for tackling the problems and opportunities identified by the region. The regional proposal provides for a voluntary staged approach. Another fundamental element is that an independent entity will need to be formed to offer transmission services (although the Platform Group did not develop the details for creating an independent entity). Recognition that there are numerous details to be worked out to implement the regional proposal led to the Process Group developing some ideas for tasks and work streams.

As RRG members began giving feedback on whether they could support the Process Group's overall proposal, the RRG discussed its role and the need for balance between providing for an independent board and providing for strong influential involvement from stakeholders. The RRG acknowledged its role is "advisory," but thought the board must be responsive to stakeholders and should be bound by the regional proposal.

Most RRG members expressed support for the process proposal as a basis for moving forward. Everyone wanted to understand more about how the work would get done. Some cautioned they could not give full support for the proposal until more details were filled in – for example, timing and manner of addressing BPA issues and cost-benefit studies. One suggestion was for check-in with the RRG stakeholders at milestone points during the process.

The second question of support dealt with creating a "core" independent board, of potentially three members instead of nine, with limited authority to act as a counter-party for negotiating and signing the TOA. There are many questions yet to be answered about the details of seating a core board, about the role of such a board and how it would transition to a full board. While most everyone supported developing more technical details about the beginning stage of the regional proposal, there was a range of views about the timing of accomplishing steps for creating a board and how this fits with further technical work, and there were various views on when to decide to go ahead and seat an independent board.

Some thought doing the work necessary to allow seating a core board by the end of 2004 was a good idea, including a number of the filing utilities. Others couldn't support now an early board, although they wanted to get work underway and decide later about the need for a core or full board. There was general support for the Process Group to consider parallel paths for technical work and work to create a board. Some RRG members expressed a desire to have check-in points with the RRG to insure broad regional support continues for the effort. Several representatives noted that creating a board is not an acknowledgement that the entity providing transmission services will become "real" – corporate decisions to join and regulatory approvals by the states, culminating in the filing utilities signing the TOA, are the defining events.

The Process Group agreed to add more details about tasks and timing to the work streams in its process proposal, including adding further details to the idea of early board creation. The group will prepare these details for further RRG review and discussion.

February 11, 2004

Invitation from FERC for Briefing from RTO West RRG

Bud Krogh told the RRG that FERC representatives asked the filing utilities and others from the region to give them an informal briefing on February 17 about the regional proposal and work efforts for moving forward in 2004. State representatives advised that it was important to brief state commissioners on the regional proposal and suggested postponing briefings with FERC until after meetings with state commissions had occurred.

RRG Meeting on February 12

The purpose of the next RRG meeting is to discuss further details added by the Process Group to the proposed process tasks and to seek RRG support for the process proposal.

The RRG will meet Thursday, February 12, 2004. The meeting will be from 10:00 a.m. to 4:00 p.m. PST at the Sheraton Portland Airport Hotel.